

## **“Empty Commercial Properties”**



**Report by the Task and Finish Group**

**October 2016 – May 2017**

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## **Web links / Background Documents:**

[Preston BID - Traffic Survey](#)

[Preston BID area map](#) and [Blackburn BID area map](#)

[Centre for Cities – Beyond the High Street: Why our City Centres Really Matter – September 2013](#)

[“Preston The Alternative” – Investment Prospectus for Preston](#)

[Preston City Living Prospectus \(launched April 2017\)](#)

[Joint Presentation - Marketing the City and Impact of the Cuerden Development](#)

## **Minutes of Meetings:**

[Minutes of Task & Finish Group – 5 October 2016](#)

[Minutes of Task & Finish Group – 1 March 2017](#)

[Minutes of Task & Finish Group – 11 May 2017](#)

## **Chair's Foreword and Acknowledgements**

The Task and Finish Group looked at various issues around Empty Commercial Properties, identifying a number of key requirements. These are reflected in the outcomes and recommendations in order to assist and progress the significant issues we found.

The Panel met with several witnesses, including council officers who provided very informative presentations; our grateful thanks to all the council officers for their professionalism and knowledge. I must also thank the individuals and organisations outside the Council that agreed to meet with us and discuss their businesses and ideas.

Members were enthusiastic and found the presentations very enlightening. We hope that following on from this study, Preston will work to establish better policy and links with our partner organisations and the wider communities to ensure we are the city that others benchmark.

It was agreed that the report and the issues it scrutinised would be complimentary to the work the City and County Council are already doing in this area.

May I take this opportunity to thank all the councillors involved in this study.

### **Councillor Phil Crowe**

The members who contributed to this study were:

Councillor Crowe (Chair)

Councillor Faruki

Councillor Gale

Councillor Mullen

Councillor Greenhalgh

Councillor Hart (Vice Chair)

Councillor Patel

Councillor Mrs Whittam

Councillor Yates

## Recommendations to Cabinet

- 1) That the current approach to developing a Joint Marketing Strategy for the City supported by all key stakeholders is endorsed by the Group
- 2) That the Joint Marketing Group is invited to consider specifically how the Clothing and Footwear retail offer could be targeted
- 3) That the current approach to developing a new and vibrant food and beverage offer within the Markets Quarter is endorsed by the Group
- 4) That the Group endorses the comprehensive approach to developing a City Centre Transport Plan with LCC reducing congestion and providing a better environment for residents, businesses and visitors. It is requested that the Study pays particular attention to Fishergate
- 5) Through BID explore the greater promotion of an early evening economy.

### **1.1. Background / Aims of this study**

The background to this study arose from the need to maximise the potential of Preston's economy and how this can be realised through examining the issue of empty properties in Preston City Centre.

Empty commercial properties have a number of negative impacts on the City, including on vitality and viability, its appearance and image, investment and its heritage. If they are Council-owned, they result in a loss of potential income to the Council and an additional cost in terms of empty property rates and maintenance. In the future it would also impact on the receipt of business rates.

### **1.2 Scope of the Study**

- An understanding of the extent of empty commercial properties in the City and the identification of any particular problems by area or type of property, with a focus on long term empty properties (over 6 months)
- Separate analysis of privately-owned and council-owned property
- A focus on the City Centre
- An understanding of the reasons for empty commercial properties
- Identification of current and potential actions and initiatives which the local authorities and private sector are taking or can take to help tackle empty properties
- To identify any good practice
- To recommend priorities for action in the short term and long term

### **1.3 Information - Presentation by PCC Officers**

The Task and Finish Group received a briefing from Derek Woods, Head of Property Services and John Crellin, Head of City Development on 5 October 2016.

Mr Woods informed members that the current void rates of properties owned by Preston City Council was well below average, crucially because the Council is seen as a good landlord.

He explained that of the properties not in a lettable condition, the main option was a change of use. He explained that office accommodation built for public

sector workers in the 1960's was often poorly built and insulated, and therefore not in demand as it was not up to modern standards.

He stressed the importance of attracting jobs to the city. He cited the experience of Manchester which retained a high number of university students due the availability of engineering jobs. He indicated that UCLAN had increased its building/engineering courses as there were job opportunities in the local area.

Mr Crellin referred to the key document 'Centre for Cities – Beyond the High Street: Why our City Centres Really Matter' produced in September 2013. The Centre for Cities argues that "the fortunes of the High Street are dependent on the fortunes of the wider city centre in which they are based. The debate must be about jobs and city centres, not just about shops and high streets". A link to the publication can be found with the list of background documents at the beginning of this report.

Mr Crellin also informed members that the City Centre Living Strategy was currently in the process of being completed (see update at 1.4. below).

He explained that data on privately owned void properties was difficult to obtain which accurately compared with public sector statistics due to variances in the area surveyed. He therefore suggested that the interviews with agents and key owners would be of the most value for the study.

1.4 [The City Centre Living Strategy](#) was subsequently launched at the end of April 2017.

#### 1.5 **PCC List of Current Properties**

Following the meeting of 5.10.16, information was provided as to the current list of properties in the City Centre owned by Preston City Council, which is attached as Appendix B.

#### 2.0 **Interview with Preston BID – 26 October 2016**

Mark Whittle from Preston BID explained about the area covered by BID.

He stated that there was currently a 19% vacancy rate (i.e. as at 26.10.16). He explained that BID count every property and every unit within a building, so if a building contains 4 units and 3 are empty, it is counted as 3 empty properties/units. He said that there were 135 empty units currently in the BID area, but stressed Preston BID is no different to other districts in that regard, slightly better in fact.

Mr Whittle felt that **business rates** were a significant issue, and a major barrier to attracting businesses. He said that often shops open at Christmas for just a few weeks. He acknowledged that there was a place for charity shops, however.

Mr Whittle explained that the three core elements that BID work under were Vibrancy, Safety and Security and the Visual Element. He indicated that Preston BID was presently up for re-election and around 800 businesses pay into it.

He suggested that Preston should have an **ambassador to promote Preston and the city centre**, as there wasn't really anyone going out advertising the city, attracting new investments.

BID's opinion was that the City Council is very business friendly. Mr Whittle mentioned that an excellent document/prospectus for Preston had previously been produced but this should now be updated and it needs to be more robustly self-interested\* (Update – see below).

\*(The Task and Finish Group noted on 1.3.16 that the investment prospectus for Preston "[Preston – The Alternative](#)" had been updated – see list of background documents)

Mr Whittle also referred to a number of positive factors which were a boost to Preston:-

**Business Crime Partnership** – which had attracted £180,000 for CCTV on a Digital Platform; the **Purple Flag award** which indicated a Safe and Vibrant city centre and **Radio NET** and **Pub NET**.

**Traffic Management** was a key issue for BID. The improvements in Fishergate look good but traffic management needs to be right. It has been difficult not being able to navigate around your business areas and meetings have been held with Lancashire County Council. BID felt that traffic lights were required. Mr Whittle recommended that the issue should be raised with Phil Barrett, Director at LCC as part of the study.

Mr Whittle suggested that another point to consider was the use of old office stock as retail needed offices.

Finally, BID produced results of a [traffic survey](#) from the 2 shopping centres (see background documents).

- 2.1 In February 2017, Preston BID provided some additional information regarding vacancy rates in the City Centre, as follows:

Our overall\* vacancy rate in Preston city centre is just under 18%.

(\*Please note that 'overall' relates to ALL types of vacant commercial properties. This includes commercial, retail and hospitality - not just ground floor. Many areas only count 'vacant ground level premises' which can significantly skew the figures).

For comparison, Blackpool stands at 15.7% (ground floor retail only) and in Blackburn it is "around" 18%.

Preston's vacancy rate has decreased since the last quarter when it stood at 19.4% and the quarter prior to that, 21%. The rate is heading in the right direction.

The strongest sector (i.e. least amount of vacant units) is leisure and hospitality.

BID supplied the comparative area maps for Blackburn & Preston BIDs. Blackburn BID covers a much smaller area than Preston's – so on the face of it, all things considered, it appears Preston is slightly ahead of its neighbours.

There is still much work to be done, but as councillors will be aware, this is being looked at collectively.

### 3.0 **Interview with Roger Parker, Parker & Co. Ltd, Winckley Square**

**15 November 2016**

Mr Parker addressed the issue of Preston City Centre development with all the related challenges, opportunities and complex issues.

He expressed his views and raised key points as follows:

- **Transport and Connections**

Access and the movement of traffic is a major consideration and have a significant impact on business decisions.

The redesigned City Centre has advantages; it looks more modern but it needs to have ease of access and good traffic flow. It must be a practical, safe and efficient environment. The changes have improved the look but not provided a good traffic flow. If people cannot easily get in and out they will go somewhere else.

Parking in the City can be difficult and costly. This competes with developments out of the City Centre. If people can use out of City office and retail space with good inexpensive parking, often free, they will choose to relocate and use out of city locations.

There is an issue of developments located on the edge of Preston sucking the trade out of Preston. This includes other Councils agreeing locations which do not advantage Preston. e.g. Chorley, Leyland. (Cuerden)

Who decides for Preston, PCC or LCC? Conflict of interest with LCC as it looks to enhance out of Preston (Lancashire) which may not be in the best interest of Preston City Centre.

- **Building Stock**

Much of the present building stock in the City Centre is reaching the end of its useful life. It is not fit for purpose, out dated, poor I.T., single glazed, lack of air conditioning, and not attractive to investors.

There is a need for up to date, modern, well designed office accommodation. There is a need for multi-use premises - retail, leisure/food, office and residential. It needs to reflect the needs of a modern city.

There needs to be ambition that creates impressive developments and gateways at the major connection points into the City. There are plans for buildings such as Altus but it needs support to realize potential and opportunity; a case of the 'right risks' to generate development and attract investment into the City.

Property values and rents have been an issue but this should start to even out.

- **Design and use**

There needs to be a USP (Unique Selling Point), an attraction to bring people in to the City, e.g. horse racing venues as other cities have done. What is it that brings people into Preston or indeed is the reason they choose to go elsewhere?

Peoples' habits have changed and more purchasing is done online. So the City Centre must reflect that and have better mixed use. It cannot be retail alone. Restaurants, student/ office/ business accommodation and attractive gateways are needed to meet present demands.

Planning consultants dictate where developments take place and have led to out of town developments which have added nothing to regeneration of the City Centre.

- **General points**

**Business rates** are of great concern and will impact on decisions on where businesses locate. Revaluation will help. But perhaps there needs to lower rents for longer tenancy. The system is not flexible and user friendly enough.

The **cinema development** was raised as an issue in terms of capacity and quality. Is it a leap of faith, who takes the risk and is it the right risk? -Raised as a discussion point.

**Planning design** needs to be utilising local knowledge rather than hiring consultants looking outside the City Centre.

He reiterated that transport, traffic flow, connectivity, modern fit for purpose buildings, USP(Unique Selling Point), a reason to come into Preston and stay in Preston are the key elements to attract business to the city centre.

The developments by Simon Rigby were suggested as a good example of vision and commitment to developing Preston City Centre.

#### 4.0 **Interview with Andrew Stringer, St George's Shopping Centre Manager**

**26 November 2016**

Key points of the discussion:

- There had been a change of ownership of St. George's 18 months ago which has led to improvements to the mall and entrance.
- Road improvements and footpaths on Fishergate look fantastic but since the work has finished congestion in the city centre has got worse, almost from day one of the completion.
- There is severe congestion of vehicles exiting from St.George's car park with drivers waiting up to 4 hours to exit. The cause of the delays is put down to Fishergate being reduced to one lane and simply not coping with the traffic. Bad press about the hold ups in St. George's car park has meant fewer people using the car park but this does not appear to have affected the actual footfall of the people using the centre.
- Mr Stringer felt that more control of pedestrians crossing Fishergate would help with congestion.
- Mr. Stringer felt the success of companies like New Look and River Island on the Deepdale Retail Park was having an effect on the city centre and the proposed Cuerden Retail development would be a challenging time for the city.
- Mr. Stringer agreed with the suggestion that Lune Street be made 2 way and thus help with traffic flow and had heard complaints that the Park and Ride was not being promoted and/or supported by L.C.C. He also indicated that there was some degree of ambiguity and confusion as to whether the policy was to be changed. He wanted the Task

Group to ask for “more clarity with regard to L.C.C’s policy for park and ride and future plans.”

- St. George’s Centre has just short of 100 units with 12 currently vacant. It was generally felt that new businesses were concerned about city centre costs and it was felt that P.C.C. should have a more flexible approach to charges/fees/costs. St.George’s use both national and regional letting agents.
- UCLAN is good for the city and currently has a unit in St.George’s.
- Office space in Preston is not up to modern day requirements.
- General concern about the perception of Preston which is ideally positioned, with motorway and railway connections but is not seen by big retail developers such as Zara which supports students but yet not in Preston with a huge student population. Why?
- Closing comment: Traffic is a real threat to the viability of the city centre.

## 5.0 Interview with Rigby Organisation, Guild Hall

**26 November 2016**

Michael and his colleague addressed the issue of Preston City Centre development with all the related challenges, opportunities and complex issues. The following points summarize the conversation:

- **Transport and Connections**

One of the biggest challenges is traffic getting from A to B across the City. It can take as long to get across the City as it can take to get to it. This has a negative impact on the City Centre being an attractive place to locate.

Parking in the city for those working is a problem as there is a shortage of office space affordable parking. Planners allow inadequate parking based on minimum numbers.

Planners insist on a bicycle shelter that probably will not be used yet provide insufficient car parking spaces.

The perceived message to people coming into Preston is not good and therefore not attractive to business. This then encourages people to look outside the City Centre and create the ‘doughnut effect’.

Transport and the movement of traffic needs to flow better, be quicker, more inviting and provide good affordable well located parking.

- **Types of Buildings**

There is a need for modern, well designed office accommodation. Due to changes in the way people work it needs to smaller multi occupancy type accommodation with ease of access and car parking space.

Renovation of the city might look good but can people get in easily?

Preston needs to reflect the modern change of use needs, office, services, food, student accommodation. The real question is what do we need, is Preston open for business?

- **New Layout of Preston**

Getting through Preston as a driver is an issue. When walking is better it does not attract business into Preston. There is a clear issue by the Railway Station. The situation has got worse and although we would not want too many lights slowing traffic down there needs some control to keep it flowing. There is also the question of safety in a shared space design.

- **Design and use**

If you look above the first floor there is too much empty property that could be better used. There needs to be an incentive to landlords to turn above first floor into residential property. Look at Church Street. It is not attractive and well used.

There is a good relationship with the Council especially PCC. Time taken to get decisions is far too slow. Business needs to move faster if it is to develop and be attracted to locate in the City Centre. For example, recently meetings had been set up to an agreed development, all parties had completed and agreed the detail and as such needed a final sign off by LCC. It took quite some time to contact LCC, only to be informed there was nobody available to sign on the day.

Recent negotiations regarding 'Fives' has been difficult with unreasonable regulations relating to design on a fire regulations question. The result has been that it leaves a building empty for considerable amount of time.

There needs to be flexibility and speed in planning to make it happen and encourage development. If not businesses will go elsewhere.

There needs to be a way of co-ordinating all agencies as public and private appear to work at different speeds.

- **General points**

Footfall is an important consideration, the whole experience needs to be safe and friendly.

Business rates are a great concern and will impact on decisions on where businesses locate.

Preston Council needs to lead by example.

LCC cost cutting has led to a lot of empty property.

With regard to the East Cliff development, the decision making process has been too slow and wasted 2 years development.

There is a risk of spending large amounts of money on experts and advisers leading to a culture of high cost and blame and resulting in a lack of development.

A casino was given as an example of a very regulated area, much more so than any other gambling option and yet getting a license is almost impossible. There have been licenses granted in Lancashire that have not and probably will not be used but can't be transferred to a location where they would be. The process is not business friendly. These decisions would be better decided on a local level.

The overriding view is that 'Preston should be open for business' and as such there needs to be joined up thinking. Speed of transactions, developments and actions need to facilitate that belief.

## 6.0 **Meeting with Sabri Marsaoui, Centre Manager, St John's Shopping Centre**

**10 January 2017**

Sabri Marsaoui, manager at St John's Shopping Centre works for Praxis Holdings limited (he is also the Salford shopping centre manager). This company owns 5 shopping centres up and down the country, St John's being the smallest. They see it as a walkway/retail parade rather than a shopping centre. They bought St John's just about 2 years ago for £4million.

There is currently one unit empty which is very good in comparison with their other centres. He explained that in this business there are always leases coming to an end and businesses changing location so you expect some to be empty at any one time.

They are part of BID and they meet as part of the retail forum which sits alongside BID. Mr Marsaoui said it's a little fragmented, they would like to have a more strategic approach with other retail units and managers.

They are very keen on the markets and cinema project and delighted about the Bus station refurbishment. Mr Marsaoui has met with the Bus station developers as part of consultations. They are seeing how things develop because they are slap in the middle. He said when they buy a shopping centre it is always based on a 5 year plan, which takes into account the cost of purchase, how many units, what type and length of leases and any costs of maintenance and refurbishment. If it looks viable then they will buy it with a view to turning it round in 5 years and selling it on.

With St John's it could be longer because of what is happening all around them.

Mr Marsaoui discussed changes to business rates, and he finished by saying make sure we push ahead with the long term viability of Preston.

## 7.0 **Interview with Eckersley / Winckley Square CIC**

**13 February 2017**

Mark Clarkson and Mary Hickman of Eckersley Commercial Property Consultants and Valuers, Starkie Court, 13 Starkie Street.

Mark Clarkson is also a representative on the WSCIC

**Improvements to Winckley Square** were discussed. Mr Clarkson said there were a few things still to be done to finish it off. There are 5 new occupancies in the Square converting to residential use.

He mentioned a property which had been subject to emergency repair order because of the state of the building. The owners will do as little as possible to the building as they don't have a lease holder and the building is listed so they don't have to pay business rates.

As regards attracting businesses to commercial property, Mary Hickman said it now took 35 minutes to get from the office to Penwortham which is only 2 miles away.

So again **city centre traffic** is cited as a problem and good city centre transport is what is needed. Perhaps trams could be the answer? Cllr Crowe suggested that could be a long way off but if only buses could come through the centre they might be more reliable and effective.

**Parking** is also seen as a problem in the city centre.

It was noted that the office blocks belonging to LCC at the end of Cross street (Guild House and Winckley House) had been sold\*.

(\*The Task and Finish Group were informed on 1.3.16 that the pending reoccupation was nearing completion and discussions were looking positive).

The interviewees were not sure if a cinema complex is the right idea in the markets quarter. It should be more out of town.

They also felt that **business rates** were stopping businesses being attracted to the city centre, perhaps the changes to business rates will help. A business can agree reduced rent but there is no movement on what rates they have to pay.

#### 8.0 **Discussions with representatives from Lancashire County Council – Overview and Scrutiny Management Committee, 20 January 2017**

The Task and Finish Group noted that representatives from Lancashire County Council attended a meeting of the Overview and Scrutiny Management Committee to discuss highways issues on 20 January 2017.

The minutes of the meeting are as follows:

##### **SC83 Interview with Representatives of LCC**

Mr Daniel Herbert, Network Manager and Ridwan Musa, Highways Manager, Lancashire County Council attended the meeting to discuss the following highway issues:-

- Tithebarn Street and Surrounding Area

Members raised issues regarding proposals for changes to traffic management on Tithebarn Street adjacent to the Bus Station and the surrounding area. Concerns were expressed regarding public access to the Town Hall and the Guild Hall, particularly for disabled persons.

- Fishergate

The Committee discussed issues regarding the Fishergate shared space area. Bus lanes were introduced on an experimental basis in October 2016 and fines issued to motorists after a two week period. LCC intends to review the measures in April 2017. Members expressed concerns regarding the consultation on the changes and on the effect on businesses in the area.

Mr Herbert agreed to feed the Committee's comments on the above matters to the appropriate officers.

- 8.1 At the Task and Finish Group 1.3.16, Councillor Yates, also member of the Overview and Scrutiny Management Committee, explained that the

representatives from LCC had been robustly scrutinised regarding traffic issues in the City Centre and especially on Fishergate. He said that of particular concern was the current one way system on Lune Street / Fleet Street near the old Corn Exchange building. There was degree of uncertainty as to when a decision regarding a two way system would take effect and probably not before the end of the year.

## 9.0 **Interview with Cabinet Member for Planning & Regulation and Cabinet Member for Community and Environment – 1.3.16**

### **Traffic and Transport Issues**

Councillor Swindells informed the Task and Finish Group that a **City Centre Transport Strategy** was to be commissioned which would include areas such as Queen Street Retail Park and the Bus Station as well as Fishergate. The Chair of the Task and Finish Group agreed that the interviews conducted during the study had demonstrated a need for a comprehensive Transport Strategy for Preston City Centre, rather than tackling individual issues in a piecemeal fashion.

### **Business Rates**

Councillor Swindells referred to the issue of the revaluation of business rates. He indicated that a significant proportion of businesses in Preston would have a reduction in rates. Details regarding the new legislation are yet to be published (*- at the time of writing the report*), however under the new arrangements, some top tier local authorities may have additional funding for services such as social care but Preston would probably have less funds and therefore less flexibility to reduce business rates if given the discretion to do so.

### **Commercial Property Rents**

He also suggested that rents charged by private landlords in commercial property may be an issue. For example, HMV was relocating from Fishergate to St George's Shopping Centre for this reason.

### **Ambassador for Preston / Promoting Preston**

Regarding a proposed 'Ambassador for Preston', Councillor Swindells queried whether there was a need for a specific individual or indeed the funding for such an appointment. Chris Hayward, Director of Development indicated that the Head of City Centre Development was a key person attending meetings with external partners to promote the interests of Preston.

Members of the Task and Finish Group stressed that the need to raise Preston's profile and promote it even further was raised at several interviews

with property owners and agents. For example, the manager at St George's Shopping Centre noted that well known chains such as Zara were not attracted to Preston.

Councillor Swindells indicated that whilst Preston is involved in several schemes which deliver for Preston such as the City Deal, they often involve more than one local authority area and this may cause confusion for investors outside Preston. The Director of Development indicated that at several Central Lancashire wide business events he had recently attended however, there had been a great deal of focus on Preston city centre, which was positive.

Councillor Boswell suggested that individuals awarded Freeman/Freewoman of the City status could perhaps be utilised as 'Ambassadors' or Promoters for Preston.

### **Early Evening Economy – Opening Times**

The Task and Finish Group emphasized the importance of promoting City Centre Living as key to attracting businesses. To further this aim it was suggested that St George's and St John's Centre managers be asked about the feasibility of opening later to encourage more people to stay in the city centre after 5pm prior to restaurants opening later in the evening.

It was also suggested that the newly developed Preston Markets also be asked to open later.

## **10.0 Presentation – Marketing the City and the results of a study about the proposed development at Cuerden**

Shirah Bamber, Communications and Marketing Manager and John Crellin, Head of City Development gave a presentation outlining new information and latest developments concerning plans to market the city and the impact of the Cuerden development. Mr Crellin also gave members an update with regard to the Preston City Centre Transport Plan.

### **City Centre Marketing Strategy**

Ms Bamber indicated that it was currently an exciting time for Preston with projects and developments such as the Markets Quarter, Harris, public realm, former Post Office building, Guild Hall, and the Winckley Square Regeneration. She highlighted the City Centre Living Strategy, launched in April and indicated that the Council had been receiving several calls from developers. She also referred to the improved rail links to be brought about by the HS2.

She explained that it was not just up to the Council to decide how to market the city centre and to do so would run the risk of duplication, wasting time and money and generating competing 'noise'. There was a strong case for working together with key partners to promote Preston and to achieve this aim, a **Joint Marketing Group** had recently been formed initially with PCC, BID, UCLAN, Marketing Lancashire and Winckley Square CIC. The goal was to agree a set of 'key messages' which all partners could use e.g. if involving broadcast media (such as a NW radio station) to promote to the City. She confirmed that LCC were aware of what was happening and the intention was involve them in a couple of months when there would be something relevant to present to them.

**Results of Study – impact the proposed development at Cuerden; analysis of the retail and other commercial offering in Preston; its positioning in the region and nationally; and its potential for growth**

Mr Crellin outlined the findings of a recent study by FSP into the impact of the Cuerden development. The study indicated that Preston was in a very good position as it occupied a strong catchment area for the growth demographic identified (i.e. non-grocery spend). The key messages were:

- Preston City Centre has estimated non-grocery turnover of £250m
- Estimated Trading Gap of £140m with £117m available from existing shoppers (i.e. potential growth of £23m)
- Trading Gap highlights headroom for additional spending from existing visitors
- Merchandise areas with biggest 'gaps' are Clothing and Footwear (£59m) and Food and Beverage (£35m)

Mr Crellin indicated that the optimal approach was as follows:

- Areas with considerable trading headroom should be target areas for growth
- Food & beverage – Markets Quarter
- Develop targeted approach around Clothing and Footwear under unified Marketing Strategy
- Consolidate rather than try to grow other merchandise areas

Mr Crellin further indicated that the study had concluded that the Cuerden development would not adversely impact on Preston City Centre as the retail park would primarily offer household goods via outlets such as IKEA.

With regard to food and beverage, members enquired about attracting more national restaurant chains (e.g. TGI Friday's). Mr Crellin confirmed that there was already significant interest. He stressed, however, that looking at

Fishergate and the Markets Quarter, Preston was already doing the right thing in terms of this sector.

He expanded on the clothing / footwear targeted approach. He indicated that there would be discussions with city shopping centres and FSP would produce a brochure to present retailers with the relevant evidence.

### **Cultural Offer in the Evenings / 'After Hours'**

The Task and Finish Group discussed Preston's 'cultural offer in the evenings' i.e. to encourage more people stay in the city centre after 5pm. Ms Bamber indicated that her department works closely with the Harris Museum and Art Gallery and the Events Team to promote the city's offer. Mr Crellin reported that traders in the new Markets Quarter would be encouraged to stay until 6pm or later and that shopping centres may be persuaded to open later once there was evidence of demand.

### **Transport Issues**

Mr Crellin gave an update on the **Preston City Centre Transport Plan**, following the issues raised by the Task and Finish Group at the previous meeting, particularly regarding Fishergate/Lune Street. He indicated that he attended the Fishergate Stakeholder Group which included retailers like Debenhams and others and stressed that it was very much a 'live issue'.

He explained that the Transport Plan was focussed on 'placemaking', not just traffic issues and would incorporate issues such as environmental impact. He confirmed that the study would include a review of Fishergate and this would be completed by Autumn. He also informed the Committee that the individuals carrying out the study were very knowledgeable of Preston and in fact would be doing a physical "Walkabout" next week.

### **Public Sector Owned Properties**

Finally, arising from discussion at the previous meeting, Mr Crellin referred to the latest position as regards public sector owned properties. He confirmed that the properties mentioned were all now progressing towards reoccupation and in addition that there were plans to market Amounderness House later in the year.

## 11.0 Findings and Conclusions

All of the interviewees were very passionate about the long term viability of Preston.

There were a number of core issues raised during discussions, of which the main points were:

- The need for greater promotion of Preston to attract increased investment to the City
- Concern about traffic management issues in the City Centre. The development of a City Centre Transport Strategy is welcome
- The impact of business rates\* (\*i.e. resetting of NNDR rates and revaluation due in 2017)
- The need for up to date, modern, well designed office accommodation
- Continued improvement of the environment and public realm (Fishergate/city centre and also UCLAN/Corporation Street area)
- The importance of a City Centre Living Strategy to attract jobs and boost the city centre economy, particularly in the early evening from 5 – 8pm.

## 12.0 Recommendations

The Task and Finish Group considered its final recommendations in the light of the information (and presentation) given at the meeting on 11 May 2017, i.e. Marketing the City Centre, the impact of Cuerden development, plans to increase economic prosperity and attract investment, the cultural offer in the evenings and the update regarding the City Centre Transport Plan.

The proposed recommendations were as follows:-

- 1) That the current approach to developing a Joint Marketing Strategy for the City supported by all key stakeholders is endorsed by the Group
- 2) That the Joint Marketing Group is invited to consider specifically how the Clothing and Footwear retail offer could be targeted
- 3) That the current approach to developing a new and vibrant food and beverage offer within the Markets Quarter is endorsed by the Group
- 4) That the Group endorses the comprehensive approach to developing a City Centre Transport Plan with LCC reducing congestion and providing a better environment for residents, businesses and visitors. It is requested that the Study pays particular attention to Fishergate
- 5) Through BID explore the greater promotion of an early evening economy.

Recommendation 1 relates to the Group's original suggestion to explore an 'ambassadorial' role to promote the City; the creation of a Joint Marketing

Strategy driven by the Joint Marketing Group addresses the issue of promoting the City identified by the Task and the Finish Group. It may be appropriate for the Council to explore an ambassadorial role at a later stage, subject to funding available.

Recommendations 2 and 3 arise from the information in the presentation highlighting the need to target the 'trading gap' and maximise economic growth in the City Centre.

Recommendation 4 refers to the City Centre Transport Plan and specifically highlights Fishergate as needing particular attention, identified as a major concern by the Task and Finish Group.

Recommendation 5 addresses the need identified by the Group to promote an 'early evening offer' (5pm onwards). John Crellin, Head of City Centre Development reiterated that the new Markets Quarter would be open until 6pm rather than 5pm, and traders allowed to open later e.g. for evening events (creation of an 'Events Space'). He indicated that this would be supported by the new cinema and restaurants.

### **13.0 Corporate Management Team Commentary**

The study includes an impressive range of interviews with key stakeholders from the public and private sectors and this has resulted in a very thorough report which demonstrates a good understanding of the issues facing the city centre and in particular on the subject of empty commercial properties. The study recognises that there is no single solution to reducing the number of empty commercial properties in the city centre and a focus on encouraging economic and residential investment, not just on retail, is vital in making the city centre more vibrant and successful.

It is encouraging to note that the possible solutions included in the report's recommendations endorses work already underway, such as the City Centre Transport Plan, the Joint Marketing Strategy and the improvements to Preston Market, which will enhance the evening economy.

With regard to recommendation 2, that the Joint Marketing Group is invited to consider specifically how the Clothing and Footwear retail offer could be targeted, this cannot be achieved by the public sector alone and will require support from the private sector, including owners and agents.

### Scoping Document

#### SCRUTINY REVIEW - EMPTY COMMERCIAL PROPERTIES

(Public and privately owned)

#### Scope of Study

Empty commercial properties have a number of negative impacts on the City, including on vitality and viability, its appearance and image, investment and its heritage. If they are Council-owned, they result in a loss of potential income to the Council and an additional cost in terms of empty property rates and maintenance. In the future it would also impact on the receipt of business rates.

The scope for this piece of work is:

- An understanding of the extent of empty commercial properties in the City and the identification of any particular problems by area or type of property, with a focus on long term empty properties (over 6 months)
- Separate analysis of privately-owned and council-owned property
- A focus on the City Centre
- An understanding of the reasons for empty commercial properties
- Identification of current and potential actions and initiatives which the local authorities and private sector are taking or can take to help tackle empty properties
- To identify any good practice
- To recommend priorities for action in the short term and long term

#### Key background information

- Vacancy Rates in the City Centre
- Empty properties held by the Council and other public sector bodies\*
- Any national guidance or publications on good practice\*\*

#### Key people to hear from

- Head of Property
- Head of City Development
- BID

- WSCIC
- Agents
- Key property owners
- Phil Barrett – LCC (regarding Traffic Management)

External Visit

There will be scope for an external visit

Lead Officer

Derek Woods / John Crellin

Panel size

9 (5, 3, 1)

Time estimate

3/4 meetings

Resources

Property Officers

Member Services

Target Audience

Cabinet, CD Executive, LEP, BID

Management Team comment

This should be a smaller work study and is capable of being sub divided to enable task and finish working.

\*It was noted that Lancashire County Council do not own much city centre property. Other than operational buildings (i.e. County Hall & the Bus Station) there are only 2 office buildings on Cross Street (Guild House and Winckley House) and the former Park Hotel (East Cliff Offices). All 3 buildings are currently moving towards reoccupation with alternative uses.

\*\*Relevant publications supplied by lead officer – see web links to background documents (page 2 of the report)

## Appendix B

### PRESTON CITY COUNCIL VACANT PROPERTY LIST – FEBRUARY 2017

#### Property Services

[www.preston.gov.uk/property](http://www.preston.gov.uk/property)

ADDRESS / LOCATION	DESCRIPTION	SIZE	RENT / PRICE	LEASE / TENURE
<b>SHOPS</b>				
22 New Hall Lane Preston	Two Storey Mid Parade Retail Unit	Ground Floor: Sales – 24.1 sq m (259 sq ft) Ancillary – 5.1 sq m (55 sq ft) First Floor: Stores – 21.6 sq m (233 sq ft)	£5,500 per annum plus VAT	Available Now
<b>WAREHOUSE/ INDUSTRIAL UNITS</b>				
Unit 26 Riversway Managed Workshops	Light Industrial /Storage Unit. Ideal for small business with in/out terms	227sqft	£2,620 per annum plus VAT	Available Now
Unit 7 Oakham Court, Preston	Ground Floor Storage/Office Unit with WC/washbasin facilities.	1061sqft (93.6 sqm)	£5,500 per annum plus VAT	Available Now
Unit 63 Roman Way Preston	Modern Industrial Unit	1007sqft (98.6 sqm)	£5,000 per annum plus VAT	Available Now

37 St Mary's Street Preston	Modern Industrial Unit	1117sqft (103.8 sqm)	£5,500 per annum plus VAT	Available Now
<b>GARAGES</b>				
<b>OFFICE SPACE</b>				
<b>PARKING BAYS</b>				
<b>LAND</b>				
Aqueduct Street	Currently Car Sales Yard.	295 sq yds (246.64 sq m)	£4,000pa plus VAT	Available Now
<b>CAR PARKING</b>				
Owen St /Crook St Ribbleton Lane Preston	Car parking (other uses considered subject to Planning Approval)	Level tarmac surface, 600 sq yds (501 sq m), 17 car parking spaces	£5,500pa plus VAT	Available Now
<b>MARKET STALLS</b>				
Various locations within the Market complex	A range of indoor and outdoor stalls	Please ring for details as availability varies	Please ring for details	Contact the Market Office on 01772 906048

## Appendix C

Date of Interview	Interviewee	Councillors attending
Wed 26 October 2016 10am Town Hall, Preston	Mark Whittle Preston City Centre BID Manager	Councillors Crowe, Hart, Gale, Greenhalgh, Mrs Whittam and Patel
Tuesday 15th November 2016 10am Parker & Co. offices	Roger Parker Parker & Company Ribblesdale House 14 Ribblesdale Place Preston, PR1 3NA	Councillors Crowe, Patel, Greenhalgh and Hart
Wed 30th November 2016 10am St George's Shopping Centre	Andrew Stringer Centre Manager	Councillors Crowe, Greenhalgh, Mrs Whittam, Patel, Mullen
Wed 30th November 2016 6pm Guild Hall	Michael Darch Group Strategy Director The Rigby Organisation Guild Hall	Councillors Hart, Faruki, Patel
Tuesday 10th January 2017 2.30pm St John's Shopping Arcade	Sabri Marsaoui (Centre Manager)	Councillor Crowe
Mon 13th February 2017 10am WSCIC/Eckersley	Mark Clarkson / Mary Hickman Eckersley Starkie Court, 13 Starkie Street, Preston, PR1 3LU	Councillor Crowe

## **Response by Cabinet**

### **Minute CA10 21.6.17**

#### **Work Plan Study - Empty Commercial Properties**

##### **Summary**

Councillor Crowe, Chair of the Task and Finish Group – Empty Commercial Properties attended Cabinet and presented the Work Plan Study report on behalf of the Group. Councillor Crowe thanked everyone who had contributed to the study and provided administrative support to the Task and Finish Group.

##### **Decision Taken**

That Cabinet endorsed the recommendations and thanked the Task and Finish Group for a comprehensive report.